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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

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Statement by FCC Chairman Michael K. Powell:

DTV PLAN UPDATE -- PROGRESS FOR CONSUMERS

The next year may prove to be a watershed for the digital television transition.

In April I challenged several industries to take specific steps to move the DTV transition forward. The plan challenged major broadcast and cable networks to create more compelling digital content, equipment manufacturers to produce more television sets with digital tuners, and broadcasters, cable operators and satellite providers to make digital content more accessible to consumers.

Virtually every industry – cable, broadcast and satellite – has either fully embraced my plan, or made real commitments to advance the transition. I deeply appreciate these efforts. As a result of these commitments, many of the key elements of the digital television transition are beginning to fall into place. As these industries innovate for the digital future, consumers across the country will benefit with super sharp television pictures and even more entertainment and educational choices.

I commend the cable industry's 10 largest operators, which serve more than 85% of subscribers nationwide, for their significant commitments to make digital programming available to consumers in the markets they serve. They will deploy integrated set-top boxes capable of displaying high definition programming and offer to carry, at no cost, up to five broadcast or other digital programming services.

DBS providers are also prepared to carry up to five digital programming services providing high-definition or other "value-added" digital programming by January 1, 2003.

On the content side, ABC, CBS, HBO and Showtime have made strong commitments to provide consumers with a wide range of high-definition programming. Others, including Discovery, HDNet and PBS, should also be recognized for the high definition content they are providing consumers. NBC is moving in the right direction by significantly increasing its high-definition programming during prime-time and late-night. I am optimistic that Fox will develop "value-added programming" that will take advantage of the entire digital broadcast spectrum they have received.

I am encouraged that the great majority of top-four network affiliates in the 100 largest markets will be on the air by next January with the ability to pass through the networks' digital signal without degradation.

The missing piece of the DTV puzzle is the consumer electronics industry. We have not yet received a final response from the manufacturers on the phased-in inclusion of DTV tuners in new sets. I hope they will join their industry colleagues and come forward with real and tangible commitments to advance the transition.

<u>Note</u>: copies of letters from participating industries, detailing their initiatives, are available at <u>www.fcc.gov</u>.